

TUESDAY MORNING, JAN. 12, 1858.

## CONGRESSIONAL.

## Thirty-Fifth Congress—First Session.

MONDAY, JANUARY 11, 1858.

## SENATE.

## EXECUTIVE COMMUNICATIONS.

The VICE PRESIDENT laid before the Senate a message from the President of the United States, in answer to a resolution of the Senate of the 25th of February last, requesting him to communicate all the correspondence of John W. Geary, late governor of the Territory of Kansas, which had not been heretofore communicated; which was read and referred to the Committee on Territories.

The VICE PRESIDENT also laid before the Senate two communications from the Secretary of War, in answer to resolutions of the Senate of the 25th of February last, which had been made for the improvement of the rivers and harbors on the lakes, in the States of New York and Michigan; which were read, and ordered to lie on the table and to be printed.

The VICE PRESIDENT also laid before the Senate a letter from the Second Auditor of the Treasury, transmitting copies of such accounts as have been rendered by the persons charged with the disbursement or application of money, goods, and effects, for the benefit of the Indians for the fiscal year ending June 30, 1857; which was referred to the Committee on Finance.

The VICE PRESIDENT also laid before the Senate resolutions of the Academy of Science of St. Louis, in favor of the publication of Dr. Evans' report of the geological survey of Oregon and Washington Territories, made by him under the authority of the government; which were read and referred to the Committee on Printing.

## MEMORIALS, PETITIONS, ETC.

Mr. SEWARD presented the memorial of Christian Hansen, praying the establishment of an ocean mail route between New York and Gluckstadt on the Elbe, via Plymouth and London, and making proposals for carrying the mails between those places, which was referred to the Committee on the Post Office and Post Roads.

Mr. YULEE presented the memorial of June M. McCrabb, widow of John W. McCrabb, late a quartermaster in the navy, praying compensation for certain services rendered by her husband, and which was referred to the Committee on Claims.

Mr. Y. also presented the memorial of William D. Mosely, praying to be released from a contract for furnishing live oak for a ship-of-war, assumed by him as surety, but which he is unable to complete; which was referred to the Committee on Claims.

Mr. CHANDLER presented petitions of the State Agricultural Society of Michigan, and of the Calhoun County Agricultural Society in that State, praying for liberal donations of public land for the promotion of agricultural education; which were referred to the Committee on Public Lands.

Mr. GIBBS presented a joint resolution of the legislature of Missouri, in favor of the erection of a building for the use of the United States courts and post office at Jefferson city; which was referred to the Committee on the Judiciary and ordered to be printed.

## RESOLUTIONS ADOPTED.

On motion by Mr. JONES, a resolution was adopted instructing the Committee on Public Lands to inquire into the propriety of establishing two additional land offices in the Territory of Nebraska, one in the State Valley west of the guide meridian, and one at or near the mouth of the Loup river, or Nebraska river.

On motion by Mr. JOHNSON, of Arkansas, a resolution was adopted instructing the Committee on Commerce to inquire into the expediency of making an appropriation for completing the removal of the raft of Red river, and also into the best mode of establishing and maintaining such mail facilities, if found necessary and expedient.

Mr. WILSON submitted the following resolution; which was considered by unanimous consent and agreed to:

Resolved, That the Secretary of the Treasury be requested to report to the Senate the amount of revenue collected in each collection district for each of the years from 1853 to 1857, inclusive; the amount expended; and the number of persons employed in each district in the collection of the revenue for each year.

Mr. BIGLER submitted the following resolution; which was considered by unanimous consent and agreed to:

Resolved, That the Committee on the Post Office and Post Roads be instructed to inquire into the expediency of establishing mail lines between the United States, the empire of Brazil, and the republics of South America; and also into the best mode of establishing and maintaining such mail facilities, if found necessary and expedient.

## REPORTS FROM COMMITTEES.

Mr. BROWN, from the Committee on Indian Affairs, reported a bill for the relief of William B. Trotter; which was read and passed to a second reading.

Mr. DAVIS, from the Committee on Public Buildings and Grounds, reported a plan for assigning the rooms in the north wing of the Capitol extension; which was read and laid on the table.

Mr. HUNTER asked to be excused from further service on the Committee on the Library; which was agreed to; and the Vice President was authorized to fill the vacancy.

Mr. EVANS asked to be excused from further service on the Committee on Naval Affairs; which was agreed to; and Mr. HANCOCK was appointed in his stead.

## BILLS INTRODUCED.

Mr. JOHNSON, of Arkansas, asked and obtained leave to introduce a bill for the relief of John McVey, and a bill to revive an act entitled "An act for the relief of legal representatives of John Donelson, Stephen Heard, and others," approved May 24, 1824; which were severally read twice and referred.

Mr. HOUSSON asked and obtained leave to introduce the following joint resolution: "That the President be and he is authorized to employ the naval retainer board an opportunity of enjoying the same advantages of officers who have been dropped, furloughed, and retired by said board."

Whereas it appearing that an act entitled "An act to promote the efficiency of the navy," was approved and became a law on the 18th of February, 1855, and that the said act reading as follows, viz: (Here the act is inserted.)

And whereas under this act the names of all the officers composing the navy of the United States of America (excepting those who were selected as members of the board authorized under said act) were examined and passed upon, according to the provisions thereof; and whereas this act did not make any provision that the members composing said board should be examined agreeably with the forms of examination made and provided to be exercised upon the officers whose names were placed before them for investigation; now, therefore, with the view of remedying the defects and the irregularities composing said board, and the satisfaction and privilege of an examination in all respects similar to that meted out by them to their brother officers:

Resolved, That the provisions of the act approved February 28, 1855, entitled "An act to promote the efficiency of the navy," be, and are hereby required to be, enforced by the President of the United States to include those officers who were selected and composed the fifteen members of the board authorized under said act, who shall have open trial and the privilege of confronting their accusers and cross-examining witnesses, as well as the advantage of all legal rules and exceptions.

## AFFAIRS IN KANSAS.

At one o'clock the special order was called up, being the Kansas question, on which Mr. BROWN was entitled to the floor. Mr. B. remarked that this question was undergoing new changes every day, and he would prefer to postpone what he might have to say until the subject should be brought before the Senate in a more definite form, which would probably be the case ere long.

Mr. HALE said he desired to express his views on that subject, but was not now prepared to do so; and on his motion the further consideration of the subject was postponed until Monday next, at one o'clock, and it was made the special order for that time.

## EFFICIENCY OF THE NAVY.

Mr. MALLORY, from the Committee on Naval Affairs, to whom was referred the joint resolution, to extend and define the authority of the President, under the act approved January 16, 1857, entitled "An act to amend an act entitled 'An act to promote the efficiency of the navy,'" in respect to dropped and retired officers, reported it back and asked its passage with the following amendment: add at the end of the resolution the words, "provided that the President of the United States may, whenever the public interest may in his judgment require it, transfer any officer from the leave list to the furlough list of the navy."

After some debate, in which Messrs. DAVIS, STUART, HALE, FESSENDEN, MALLORY, CRITTENDEN, TOOMBS, and others participated, the question was taken on the amendment, and it was not agreed to.

Mr. BAYARD moved to amend the joint resolution by

striking out the words "the records of the courts of inquiry appointed under the act of January 16th, 1857," and inserting in lieu thereof the words "the records of the courts of inquiry, as far as such records are available." That in any case where it is deemed advisable by the President of the United States to restore to the active or reserved list of the navy," &c.

The amendment was not agreed to.

Mr. HUNTER moved to amend by adding a proviso that nothing herein contained shall be so construed as to allow the increase of the number of officers on the active service list, as now authorized by law.

After some debate, the amendment was agreed to—yeas 24, nays 22—as follows:

YEAS—Messrs. Allen, Benjamin, Biggs, Clay, Collamer, Durkee, Evans, Fessenden, Fitch, Fitzpatrick, Foster, Hamlin, Hammond, Hunter, Johnson of Arkansas, Johnson of Tennessee, King, Mallory, Mason, Stewart, Trumbull, Wade, Wilson, and Yates—24.

NAYS—Messrs. Bayard, Broderick, Chandler, Clark, Crittenden, Davis, Dixon, Doolittle, Douglas, Foot, Green, Gwin, Hale, Harlan, Houston, Iverson, Kennedy, Polk, Seward, Simmons, Toombs, and Wright—22.

The joint resolution was then read a third time, and passed in the following form:

Resolved, That in any case where the records of the courts of inquiry appointed under the act of January 16, 1857, may render it advisable, in the opinion of the President of the United States, to restore to the active or reserved list of the navy, or to transfer from furlough to leave of absence on the latter list, any officer who may have been dropped or retired by the operation of the act of February 28, 1855, entitled "An act to promote the efficiency of the navy," he shall have authority, any existing law to the contrary notwithstanding, to restore such officer to the active or reserved list of the navy, and by and with the advice and consent of the Senate, to appoint such officer to the active or reserved list; and officers so nominated and confirmed, shall occupy positions on the active and reserved lists, respectively, according to rank and seniority when dropped or retired, as aforesaid, and be entitled to all the benefits conferred by the act approved January 16, 1857, on officers restored or transferred to the active or reserved list under that act: Provided, that nothing herein contained shall be so construed as to allow the increase of the number of officers on the active service list, as now authorized by law.

## MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

A message was received from the President of the United States, by Mr. Henry, his secretary, stating that he had received from Governor Medary, governor of the Territory of Minnesota, a copy of the constitution of Minnesota, together with an abstract of the votes polled for and against that constitution at the election held in that Territory on the second Tuesday of October last, certified by the governor in due form, and that he lays it before Congress in the manner prescribed by that instrument; which was read, and on motion by Mr. DOUGLASS, it was referred to the Committee on Territories and ordered to be printed.

## BILLS PASSED.

On motion by Mr. CLAY, the bill authorizing the issue of a register to the barque Jehu, and the bill authorizing the issue of a register to the steamer Fearless, were severally considered and passed.

## ARREST OF GENERAL WALKER.

On motion by Mr. MASON, the Senate resumed the consideration of the motion to refer the message of the President of the United States in reference to the arrest of General Walker to the Committee on Foreign Relations.

Mr. M. remarked that he hoped the question would be taken at once; and if any gentleman desired to discuss the subject further, they could have an opportunity when the committee should make their report.

The suggestion was acceded to; and the question being taken on the reference, it was agreed to.

After the consideration of executive business, the Senate adjourned.

## HOUSE OF REPRESENTATIVES.

The SPEAKER laid before the House a letter from the Secretary of Nebraska Territory, transmitting copies of the laws for 1857, and of the journals of the third session of the legislative assembly of said Territory; which were referred to the Committee on Territories, and ordered to be printed.

The SPEAKER also laid before the body a letter from the Third Auditor of the Treasury Department, transmitting copies of the accounts of persons charged with the disbursement of money, goods, or effects for the benefit of the Indians during the last fiscal year; which was laid on the table and ordered to be printed.

Also, a letter from the Secretary of War, transmitting information in answer to a resolution of the House of the 4th inst., calling for the last annual report of Lieut. Col. J. D. Graham on the harbors of Lake Michigan; which was referred to the Committee on Commerce and ordered to be printed.

## THE INTRODUCTION OF BILLS.

The SPEAKER stated the business first in order to be the consideration of the resolution submitted on Monday last by Mr. SUMNER, of Ohio, which that gentleman modified as follows:

Resolved, That the States and Territories be called, beginning at the State of New York, for the introduction of bills, and that each member be permitted to introduce by motion for leave, without debate, as many bills as he desires for reference only, and such resolutions as may not be objected to.

The question pending was that the rules be suspended; which, being taken, was decided in the negative—yeas 96, nays 86—two-thirds not voting in favor thereof.

## REPORT FROM COMMITTEE ON PRINTING.

Mr. SMITH, of Tennessee, from the Committee on Printing, reported the following resolution:

Resolved, That there be printed five thousand extra copies of the letter of the Secretary of the Treasury communicating the report of the Superintendent of the Coast Survey for the year 1857—three thousand for distribution to the Coast Survey Office, and two thousand copies for the use of the members of the House, and that the same be printed and bound with the plates in quarto form; and the printing of said plates shall be done to the satisfaction of the Superintendent of the Coast Survey.

Mr. PHELPS, of Missouri, objected to the resolution on the ground that it placed in the hands of the Superintendent of the Coast Survey the duties of the Superintendent of Public Printing.

Mr. SMITH, of Tennessee, explained that both the Superintendent of Printing and the Superintendent of the Coast Survey had been consulted in regard to the report of the committee, and it met with general approval.

Mr. PHELPS, of Missouri, desired to inquire what would be the probable cost of the printing. His reason for making the inquiry was this: The Committee of Ways and Means had been called upon to provide a bill appropriating money to defray the deficiency for the printing of documents for the Thirty-Fourth Congress, and yet not yet received possession of the amount of money needed to defray the expenses of paper, etc.; but this much information they had, that there was already due to the public printers of the two last Congresses, or there would be due to them when the work was all executed, a sum but little short of one million of dollars, in addition to money already appropriated for that purpose.

He was very glad that the committee on Printing had reduced the number, for he believed that the last Congress had ordered too many; and he concurred with the gentleman from Tennessee that this document was of very little use to a large portion of the country.

Mr. SMITH, of Tennessee, replied that the cost of printing the coast survey report for the last Congress was about \$3 73 per volume—the whole cost of the work—and it was one of the most expensive works published by Congress. The printing of five thousand copies, according to our estimate—and they could only make an approximate estimate—in material, plates, &c., would be the sum of \$29,000. He demanded the previous question; pending which,

Mr. SMITH, of Virginia, moved that the resolution be laid on the table; which motion was not agreed to—yeas 84, nays 122.

The question being taken on seconding the demand for the previous question, no quorum voted: When

Mr. WASHBURN, of Illinois, moved that the House adjourn; which motion was not agreed to—yeas 44, nays 160.

The previous question then received a second—yeas 79, nays 67; and the resolution was rejected—yeas 79, nays 116.

Mr. PHELPS, of Missouri, moved that the vote by which the resolution was not agreed to be reconsidered, and that the motion to reconsider be laid on the table.

The latter motion was agreed to—yeas 91, nays 75.

## INCREASE OF THE ARMY.

Mr. FAULKNER, of Virginia, then asked consent to introduce a bill to increase the military establishment of the United States by the addition of five new regiments.

Objection being made,

Mr. FAULKNER moved that the rules be suspended; which motion was not agreed to—yeas 113, nays 99—two-thirds not voting in favor thereof.

YEAS—Messrs. Adams, Alden, Anderson, Berry, Barksdale, Bishop, Boock, Bryan, Burnett, Burns, Calkins,

Clark, of Missouri, Clark, of Tennessee, Clingman, Cobb, John Cochran of New York, Cockrell, Corning, Cox, Craig of Missouri, Craig of North Carolina, Curry, Davidson, Davis, of Virginia, Davis of Massachusetts, Dingnick, Dowdell, Ellis, Edmundson, English, Eustis, Faulkner, Florence, Foley, Garrett, Gillis, Gilmer, Goode, Greenwood, Gregg, Groesbeck, Hall of Ohio, Harris of Illinois, Haskin, Hatch, Hickman, Hill, Hopkins, Houston, Hughes, Huyler, Jackson, Jenkins, J. Glancy Jones, Kelly, Kelley, Kunkel of Maryland, Kunkel of Pennsylvania, Laus, Landy, Leidy, Letcher, Maylay, McRiffin, McQueen, Marshall of Kentucky, Marshall of Illinois, Maynard, Miller, Montgomery, Moore, Morris of Pennsylvania, Morris of Illinois, Pendleton, Peyton, Phelps, Phillips, Powell, Quintan, Reagan, Reilly, Riordan, Rufin, Russell, Sandness, Savage, Seales, Scott, Sevier, J. THAYER JOHNS, of North Carolina, Shorter, Shicker, Singleton, Smith of Illinois, Smith of Virginia, Stevenson, Stewart of Maryland, Talbot, Taylor of New York, Taylor of Louisiana, Tripp, Ward, Warren, Watkins, White, Whitely, Winslow, Woodson, Wortendyke, Wright of Georgia, and Zollieffer—113.

NAYS—Messrs. Abbott, Andrew, Atkins, Bennett, Billingsworth, Bligham, Blair, Bliss, Boye, Branch, Bryant, Buford, Burlingame, Burroughs, Case, Chadler, Clark of Connecticut, Clawson, Clark B. Cochrane of New York, Coffey, Conine, Covode, Cragin, Crawford, Curtis, Davis of Maryland, Davis of Iowa, Dawes, Dean, Dick, Dodd, Durfee, Elliott, Farnsworth, Fenton, Foster, Garrett, Giddings, Gilman, Goodwin, Graham, Grover, Hall of Massachusetts, Harlan, Hoard, Horton, Howard, Jewett, Jones of Tennessee, Owen Jones, Kellogg, Kelsey, Kilgore, Knapp, Leach, Leiter, Lovejoy, Morgan, Morrill, Morse of Maine, Morse of New York, Murray, Nichols, Olin, Palmer, Pettit, Pike, Potter, Putnam, Quincy, Reedy, Ritchie, Robbins, Roberts, Royce, Seward, Sherman of Ohio, Sherman of New York, Spitzer, Stanton, Stephens, Thayer, Thompson, Tompkins, Wade, Walbridge, Waldron, Walton, Washburn of Wisconsin, Washburne of Illinois, Washburn of Maine, Wilson, Wood, and Wright of Tennessee—95.

So the bill was not introduced.

## THE PRESIDENT'S MESSAGE.

Mr. J. GLANCY JONES, of Pennsylvania, moved that the House resolve itself into Committee of the Whole on the state of the Union, and resume the consideration of the debate at 3 o'clock to-morrow.

Mr. CLINGMAN, of North Carolina, requested the gentleman to withdraw his motion so that the message and accompanying documents, which had just been received from the President of the United States, might be taken up and referred, and ordered to be printed.

The SPEAKER then stated that the motion to go into Committee brought up the pending motion of Mr. J. GLANCY JONES, that all debate upon the President's message be terminated in one hour after its consideration should be resumed in committee.

Mr. J. GLANCY JONES, in order to meet the wishes of the House, modified his resolution so as to terminate the debate at 3 o'clock to-morrow.

Mr. WASHBURN, of Illinois, moved to lay the motion on the table.

Mr. JONES, of Tennessee, inquired whether it would be in order to modify the resolution so as to terminate the debate at 3 o'clock on Thursday next.

The SPEAKER replied that it would.

Mr. JONES, of Tennessee, hoped he would do so.

Mr. J. GLANCY JONES, of Pennsylvania, then modified his resolution accordingly, and demanded the previous question; when

Mr. WASHBURN, of Illinois, withdrew his motion to lay on the table, and renewed it.

The question was taken, and the motion to lay on the table the motion to terminate debate at one o'clock on Thursday next was not agreed to—yeas 89, nays 118.

The previous question then received a second—yeas 107, nays 90—and the motion to terminate debate was agreed to.

The House then went into Committee of the Whole, (Mr. PHELPS, of Missouri, in the chair,) and resumed the consideration of the President's message—the question being on the amendment of Mr. MAYNARD, of Tennessee, that certain portions of it be referred to a select committee.

Mr. GROESBECK, of Ohio, addressed the committee at length. He concurred in the views which had been expressed upon the particular expedition of Wm. Walker, and upon the policy of the government in regard to the laws now in force fully—as fully as they could be—on the matter of the President's message, and he hoped that the committee would be able to do so.

He wished to say further that he concurred in the views which had been expressed by the President in regard to his right to break up the expedition of Walker, if not in the precise manner in which it had been done, and that he was in favor of the power of the government, and by going to sea, if that were necessary. If the Secretary of State was right in the instructions which he gave, the general government was called upon to interfere, and he knew that never since the time when Aaron Burr meditated a military expedition against Mexico—

—in this country, had the power of the government been so harassed as by this man, William Walker. He did not intend to cast any aspersions upon the character of that gentleman, but he intended to vindicate the action of the administration, and to show that it was right in putting down this expedition. By the law of nations there was no doubt that it was the duty of the government to keep the peace with all other nations, and to prevent its own citizens from breaking the peace; and as far back as 1793, under the administration of our government they found that, before any law upon the subject was passed, General Washington—the government of that time—acted by the authority of the law of nations, and asserted their duty to be just about the same as now set forth in the act of 1818.

The proclamation of the President of that time, correspondence with the Secretary of State, and all documents upon the subject, show that the general government, without legislation, as one of the family of nations, is an obligation to prevent the carrying on of military expeditions from the shores of the United States. He furthermore claimed that, without legislation, the same authority of the law of nations, this government has the right to go out beyond the marine league for the purpose of preserving its peace and its own obligations of neutrality. As he understood it, the sea, the ocean, was no neutral ground. The doctrine that they could not cross the line of the marine league in order to lay their hands upon those who had violated the law amounted to nothing more or less than declaring that the ocean was a sanctuary for crimes. He contended that, under the sixth section of the neutrality laws, it mattered not whether a European, Englishman, Frenchman, or any other nation, was engaged in the carrying on of a military expedition, if any one in the jurisdiction of the United States set up or set on foot a military expedition of this kind, he was just as responsible to the law as if he were a citizen, and they would punish him unless his person was inviolable under the laws of the United States. The President was not restricted by action taken to the marine league, but he was bound by the law of nations, and he had the right to cross that line for the protection of our neutrality.

A brief colloquy ensued between Mr. GROESBECK and Mr. STEPHENS as to whether or not General Walker is a citizen of the United States; after which, Mr. GROESBECK, in closing his remarks, and Mr. KELLOGG, of Illinois, obtained the floor.

The committee then rose, and the House resumed its session.

## GRANTING THE USE OF THE HALL.

Mr. WASHBURN, of Maine, asked leave to introduce the following resolution:

Resolved, That the use of the hall of the House of Representatives be allowed on Friday evening next to the Columbian Institution for the instruction of the deaf, the dumb, and the blind, for an exhibition of the progress of that institution.

Mr. SMITH, of Virginia, hoped the gentleman would modify his resolution so as to make it the old hall.

Mr. WASHBURN accepted the modification; but

Objection being made,

Mr. WASHBURN moved that the rules be suspended; pending which,

Mr. JONES, of Tennessee, moved that the House adjourn; which motion was agreed to—yeas 89, nays 80.

And then, at 4 o'clock, the House adjourned.

## PETITIONS, ETC.

By Mr. HATCH, Bill for appropriation for repair and improvement of Buffalo harbor. Also, bill for construction of custom-house at Buffalo, New York.

By Mr. LEITCHER, Memorial of Mrs. Margaret C. Hanson, of Augusta county, Virginia, asking for a pension during her natural life.

By Mr. FLORENCE, Ten memorials of citizens of Philadelphia remonstrating against the change of post office site, and urging the advantageous facilities for post office purposes of the building recently occupied by the Post Office of Pennsylvania; referred to the Committee on the Post Office and Post Roads.

By Mr. SMITH, of Illinois, The memorial of John B. Rogers, of Carlyle, Illinois, praying for compensation for

transporting United States mail on route 13,336, from Carlyle to Hillsboro; referred to the Committee on the Post Office and Post Roads.

By Mr. LANDY, Two petitions, numerous signed by citizens of Philadelphia in favor of locating the post office on the site of old Pennsylvania Bank.

By Mr. PHELPS: Several remonstrances against changing the proposed site of the post office of Philadelphia; referred to the Committee on the Post Office and Post Roads.

By Mr. CHAPMAN, of Pennsylvania: Two petitions from citizens of Lehigh county, Pennsylvania, for the establishment of a daily mail route from Allentown, via Emmaus and Millerstown, in Lehigh county, thence via Longswamp post office, to Mortztown, in Berks county, Pennsylvania; referred to the Committee on the Post Office and Post Roads.

ARRIVAL OF THE STEAMER AFRICA—THREE DAYS LATER FROM EUROPE.

The steamer Africa arrived at New York about noon on Sunday, with Liverpool dates to the 26th December. The most important news is the announcement of the relief of Lucknow, received by the government in a telegram from Alexandria, Egypt, which we give entire as we find it in the London papers:

ALEXANDRIA, Dec. 19, 1857.

The Pekin reached Suez this morning, bringing Bombay dates to the 4th of December, 1857. Sir Colin Campbell having reached Cawnpore on the 24 of November, defeated the force at Alumbagh on the 11th.

On the 13th active operations commenced, and for the next six days there was a constant series of severe and bloody struggles with the enemy.

On the 19th, their principal strongholds having been captured, the beleaguered garrison was relieved.

On the 20th the sick and wounded, ladies and children, were sent back under an escort to Cawnpore.

The army under the commander-in-chief now amounts to about 22,000 men, amply sufficient to reduce Oude to entire subjection—a task which will occupy them for some months to come.

Malwa field force, under Brigadier Stuart, has relieved Nusseerabad, dispersed the Mehmedpore and Mundorese rebels, and is now clearing Malwa of the insurgents.

The division under Major-General Sir Henry Sturt, Col. Cotton, and Col. Tiddell, are scouring Rohilcud; complete success attending their operations everywhere.

Large masses of European troops are reaching India weekly, and we are relieved to find that our garrisons and outposts lately in much eminent peril.

The governor-general and the governors of Madras and Bombay were at the (senior) of government.

The above message reached Malta by Her Majesty's ship "Coquette." Next mail on the 23d December.

## LORD LYONS.

The foregoing despatch was published in London and throughout England the day before Christmas, and the festivities of the season were never more heartily enjoyed than on that occasion.

Financial accounts from all quarters were encouraging, and no failures of consequence are reported anywhere. The money writer of the London Star, under date of Thursday evening, December 24, says:

The bank directors, after a protracted sitting, reduced the minimum rate of discount from 10 per cent., at which it was fixed on the 9th of November, to 8 per cent. A reduction of 2 per cent. at once has never before occurred in the history of the bank. The joint stock banks and discount houses have, in consequence, reduced the rates for deposits to 5 and 6 per cent.

This movement had been anticipated, owing to the increasing strength of the bank in its reserve of notes and in the stock of bullion. The 2,000,000. notes issued upon securities in excess of the limits, imposed by the act of 1844, have been recalled, and the securities resold to the banking department; consequently, the intention of the indemnity act of the recent short parliamentary session has been answered, and no further issue of notes can now take place, except against bullion.

The reduction has given great satisfaction in all quarters; but it is observed that money is still dearer in London than in Hamburg. Already, however, there are anticipations of a further reduction at a very early period in the new year. Before the end of January it is believed that the rate will have fallen to 6 per cent., if not lower. This will mainly depend upon the demand for capital. At present there are no signs of sufficient activity to maintain very high rates; but 5 or 6 per cent. will probably be the average during spring.

Money has been in abundant supply again, and in Lombard street the best bills have been done at 7 1/2 per cent.

The return of the Board of Trade for the month, and the eleven months ending November 30, was issued this morning, and the reduced amount of the declared value of our exports bears evidence of the commercial collapse from which all classes are now suffering. In October the declared value of the exports was 210,985,789, but in November it fell to 22,285,815—being a falling off of no less than 22,699,974. In the corresponding month of 1856 the amount